

Old Age, Disability, Death

First and current law: 1966.

Type of program: Social insurance system.

Exchange rate: US\$1.00 equals 144.7 pesetas.

Coverage

Employees. Special systems for non-employed and voluntarily insured persons.

Source of Funds

Insured person: Depending on choice, 2, 4 or 6% of earnings.

Employer: 6% of payroll.

Government: None.

Qualifying Conditions

Old-age pension: Age 65.

Disability pension: Loss of at least 2/3 earning capacity. For insured persons aged under 21, 12 months of contributions; between age 21 and 40, 36 months of contributions; and between age 41 and 65, 96 months of contributions.

Survivor pension: 60 months of contributions.

Old-Age Benefits

Old-age pension: The pension amount depends on the amount of contributions made. Each monthly contribution is converted into age pension points by dividing the monthly employee and employer contributions by the purchase value of an age pension point for the relevant month. The purchase value of an age pension point in 1996 is 1,440 pesetas. To calculate the pension, the acquired age pension points are converted into an annual pension figure by applying a set value to each pension point. This value is indexed regularly and, in 1996, is equal to 225 pesetas. The monthly pension is equivalent to 1/12 of the result of this calculation.

Minimum pension: 93,750 pesetas a month (based on 5,000 age pension points) for insured beneficiaries with at least 960 points and with 180 months of contributions since 1968 and at least 60 months of paid employment before then.

Pensions are increased by 10% if the spouse of the insured is aged 65 or over and is not eligible for a pension in their own right.

Permanent Disability Benefits

Disability pensions: Divided into 3 categories:

- 1 Group I, able to perform some type of work, 30% of average monthly earnings;
- 2 Group II, unable to perform any type of work, 50% of average monthly earnings
- 3 Group III, unable to perform any type of work and in need of constant attendance assistance, 75% of average monthly earnings.

Survivors Benefits

Survivor pension: 50% of pension of deceased.

Payable to spouse aged 45 years or over or disabled or caring for a child aged under 18.

Orphan pension: 10% of pension of deceased. Payable to each dependent child not involved in paid employment.

Maximum benefit: 50% of pension of deceased.

Funeral grant: Lump sum equal to earnings of last three months or three times average monthly earnings, whichever sum is greater.

The grant is paid to eligible relatives of the deceased in the following order: The surviving spouse and dependent children; adult children; parents; grandparents; other immediate relative; or the Fund that pays the funeral costs.

Administrative Organization

National Social Security Fund, general supervision, managed by an Administration Council and a Director.

Sickness and Maternity

First and current law: 1966.

Type of program: Social insurance system.

Coverage

See Old age, disability and death, above.

Source of Funds

Insured person: 3% of earnings.

Employer: 7% of payroll.

Government: None.

Qualifying Conditions

Sickness benefits: For the first claim, 40 days of contribution.

Further claims, 15 days of employment in the last 40 days. To receive benefits for longer than 180 days, 12 months of contributions prior to stopping work.

Maternity benefits: 6 months of insurance prior to the date of confinement; 3 months of employment in the previous 6 months.

Medical benefits: For the first claim, 40 days of contribution.

Further claims, 15 days of employment in the last 40 days.

Sickness and Maternity Benefits

Sickness benefit: Daily amount equal to half of 1/180 of earnings for the previous 6 months. Payable after 3-day waiting period. After the 30th day since stopping work, payment amounts to 2/3 of reference earnings. Payments made for 6 months. 6-month extensions possible until the end of the third year.

Adjustment: Annual adjustment of benefits paid for more than 12 months where the average salary is adjusted by at least 10%.

Maternity benefit: Daily amount equal to 90% of 1/180 of earnings for the 6 months prior to stopping work. Payable for 16 weeks.

Workers' Medical Benefits

Medical benefits: Includes primary and specialist treatment, pharmaceuticals, hospitalization, dental care, minor aids and appliances, maternity care and transportation. Fund reimburses 75% of schedule fees for these services. Duration: No limit.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured person.

Administrative Organization

National Social Security Fund, general supervision, managed by an Administration Council and a Director.

Ascendant pension: 20% of average monthly earnings of the deceased. Paid to all ascendants (of deceased and spouse) who are totally dependent on the insured.

Maximum survivor pensions: 100% of average monthly earnings of the deceased.

Administrative Organization

National Social Security Fund, general supervision, managed by an Administration Council and a Director.

Work Injury

First and current law: 1966.

Type of program: Social insurance system.

Coverage

See Old age, disability and death, above.

Source of Funds

See Old age, disability and death above.

Qualifying conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefit

Temporary disability benefit: Same as for sickness benefits but paid from the first day.

Permanent Disability Benefits

Permanent disability benefits: For total disability, 100% of average monthly earnings in the preceding year.

Partial disability: If disability less than 10%, lump sum equal to twice the average monthly earnings.

If disability between 10 and 55% and insured aged less than 45, choice of:

- 1 A pension proportional to 50% of the degree of disability; or a lump sum equal to 6 months of average monthly earnings if disability between 10 and 25%, 12 months if disability between 25 and 39%, or 18 months if disability between 40 and 55%.
- 2 If aged more than 45, pension proportional to 50% of the degree of disability.
- 3 If disability greater than 55% and insured aged less than 45, choice of: A pension proportional to the degree of disability; or a lump sum equal to 40 times average monthly earnings.
- 4 If aged more than 45, pension proportional to the degree of disability.

Workers' Medical Benefits

Medical benefits: Provided through medical insurance with 100% reimbursement.

Survivor Benefits

Survivor pension: 50% of average monthly earnings of the deceased. Payable to non-separated spouse who is not undertaking any gainful activity and is not eligible for a pension in their own right.

Orphan's pension: 10% of average monthly earnings of the deceased for each child under 18 who is not undertaking any lucrative activity.

Maximum orphan pension: 50% of deceased's earnings.

Unemployment

There is no separate unemployment scheme but assistance is available from the government in cases of need.

Family Allowances

There is no separate family allowance scheme but assistance is available from the government in cases of need.